MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2016 / 2017 SESSION

DFB5018 – FUNDAMENTALS OF BUSINESS

(For Diploma Students Only)

20 OCTOBER 2016
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **9** pages with **4** sections.
2. Answer **ALL** questions.
3. Answers for sections **A** and **B** should be shaded on the OMR sheet provided.
4. For sections **C** and **D**, please write your answers in the answer booklet provided.

SECTION A: MULTIPLE CHOICE QUESTIONS (each question carries 1 mark). Answers for this section should be shaded on the OMR sheet.

1. The process for converting government enterprises into individually owned firms are known as _____.
   A. production allocation
   B. privatization
   C. entrepreneurship
   D. demand assessment

2. Which of the terms below refers to the total quantity and quality of goods and services that people living in an economic system can purchase?
   A. Business cycle
   B. Demand and supply schedule
   C. Standard of living
   D. Aggregate output

3. _____ refers to the situation when a country's imports exceed its exports.
   A. Balance of payments
   B. Balance of trade
   C. Trade deficit
   D. Trade surplus

4. The ABC Paint Company in Malaysia has joined forces with the XYZ Plastics Company in Thailand to create a non-peeling, plastics-based paint. Both companies intend to share the research costs and any profits. This is an example of _____.
   A. a licensing arrangement
   B. a branch office setup
   C. a strategic alliance
   D. a foreign direct investment

5. Many governments require that products sold in their particular country be at least partly made there. What type of laws does this policy involve?
   A. Quota laws
   B. Local content laws
   C. Business practice laws
   D. Free trade laws

6. What term refers to the way in which a business tries to balance its commitments to groups and individuals in its social environment?
   A. Business ethics
   B. Socialisation
   C. Stakeholder consciousness
   D. Social responsibility

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7. What is the name of the document that an entrepreneur uses to summarise his or her business strategy for a proposed new venture?
   A. Success chart
   B. Business plan
   C. Director's guideline
   D. Financial blueprint

8. Entrepreneurs often have more than one goal for starting a business and becoming self-employed. Which of the following are the main reasons in the common goal of entrepreneurs?
   I) To seek independence and be their own boss
   II) To earn a comfortable living for a period of time
   III) To grow and expand a current business
   IV) To meet community or social obligations
   A. I, II, III
   B. I, II, IV
   C. I, III, IV
   D. II, III, IV

9. Which of the terms below is the process of designing specific jobs that need to be done and identifying the people who will perform them?
   A. Departmentalisation
   B. Job specialisation
   C. Group tasks
   D. Segmentation

10. Which term describes creating and maintaining the innovation and flexibility of a small business environment within the confines of a large, bureaucratic structure?
    A. Basic structuring
    B. Process organisation
    C. Intrapreneuring
    D. Extrapolating

11. Which of the following business elements below is responsible to analyse their competitive environments and plan, organise, direct, and control the operations of their organisations?
    A. Customers
    B. Managers
    C. Regulators
    D. Agents

Continued...

12. _____ is the management process that determines what the organisation needs to do and how best to get it done.
    A. Organising
    B. Planning
    C. Controlling
    D. Monitoring

13. Which of the following refers to a person's ability to think in the abstract, to diagnose and analyse different situations, and to see beyond the present situation?
    A. Human relations skills
    B. Decision-making skills
    C. Conceptual skills
    D. Technical skills

14. PepsiCo sets out to increase its share of the snack food market by 10 percent during the next eight years, is an example of _____ goal. Meanwhile, the finance department of PepsiCo aims for a 3 percent increase in return on investment in three years, is an example of _____ goal.
    A. short-term ; long-term
    B. long-term ; intermediate
    C. tactical ; short-term
    D. organisational ; long-term

15. What does e-partnering involve?
    A. Buying shares of small companies that provide technology unavailable to the "purchasing" company
    B. Buying shares of small companies that are similar to the "purchasing" firm
    C. Linking up to the inventory records of another company
    D. Sharing a Web server with another company

16. Which of the following is **NOT** a fundamental aspect of organisational citizenship?
    A. Reporting structure
    B. Corporate culture
    C. Workgroup attitude
    D. Business field

17. What is emotionality?
    A. The ability of a person to get along with others.
    B. The degree to which someone tends to be positive or negative.
    C. The number of things a person tries to accomplish at once.
    D. The likelihood that a person will react aggressively.

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18. Which of the following lists Maslow's Hierarchy of Human Needs in order by starting with the most basic?
    A. Physiological, Security, Social, Esteem, Self-actualization
    B. Social, Security, Physiological, Esteem, Self-actualization
    C. Physiological, Self-actualization, Security, Esteem, Social
    D. Physiological, Esteem, Security, Social, Self-actualization

19. Which of the following allows people to choose their working hours by adjusting a standard work schedule on a daily or weekly basis?
    A. Job enrichment
    B. Flextime programs
    C. Job enlargement
    D. Job redesign

20. Which of the following aspects of the psychological contract is provided by the organisation?
    A. Status
    B. Competency
    C. Effort
    D. Loyalty

21. Which of the following **BEST** describes the concept of leadership?
    A. The processes and behaviours used by someone to determine the optimal decision among several options.
    B. The processes and behaviours used by someone to motivate, inspire, and influence the behaviours of others.
    C. The processes and behaviours used by someone to establish the organisational structure of a firm.
    D. The processes and behaviours used by someone to manage the functioning of an organisation.

22. Benjamin spends most of his time performing normal, routine tasks. Which of the following types of leadership is he primarily involved with?
    A. Charismatic leadership
    B. Transformational leadership
    C. Transactional leadership
    D. Situational leadership

23. Jean's pay cheque is calculated from the number of hours worked during the week times her hourly rate. What type of system is used to pay Jean?
    A. Gainsharing
    B. Profit sharing
    C. Wage
    D. Incentive

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24. Which of the following example refers to salary increases based on the performance levels in non-sales jobs?
    A. Bonuses
    B. Collective bargaining
    C. Merit salary systems
    D. Workers' compensation insurance

25. _____ refers to a group of individuals working together to achieve shared job-related goals such as higher pay, shorter working hours, greater benefits, or better working conditions.
    A. Management organisation
    B. Company hierarchy
    C. Labour union
    D. External organisation

26. The amount of money that owners would receive if they sold all of a company's assets and paid all of its liabilities are called _____.
    A. asset
    B. owners' equity
    C. inventory
    D. liability

27. A balance sheet uses the accounting equation to show the current value of a company's financial statement by specifying a firm's details. Which of the following details are specified in the financial statement usually?
    I) Assets
    II) Liabilities
    III) Owners' equity
    IV) Owners' expenses
    A. I, II, III
    B. I, II, IV
    C. I, III, IV
    D. II, III, IV

28. Which of the following are the examples under fixed assets?
    I) Patents
    II) Trademarks
    III) Land
    IV) Building
    A. I and II
    B. II and III
    C. III and IV
    D. I and IV

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